

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DELAWARE DISTRICT OF DELAWARE
WILMINGTON DIVISION

IN RE:

W. R. GRACE & CO.,

Debtor(s).

CASE NO. 01-1139-JKF-11

Docket No. 19378

CHAPTER 11

INDIANA DEPARTMENT OF REVENUE'S (IDR) RESPONSE TO OBJECTION TO CLAIM

Comes now Creditor, Indiana Department of State Revenue (IDR), by counsel, and, for its Response to the Debtors' Twenty-Fifth Omnibus Objection to its Claim, states as follows:

1. Creditor has filed an amended proof of claim in the amount of \$443,130.64 including a priority claim of \$403,130.64, a secured claim of \$0.00 and \$40,348.43 as a general unsecured claim.
2. Creditor's claim is based, in part on actual returns for Debtors' corporate tax returns for the periods ending 12/31/1995, 9/28/1996, 12/31/1997 and retail sales tax returns for the periods ending 12/31/1995, 12/31/1996, 12/31/1997, and 12/31/1998 in which audits discovered liabilities due and owing, as more fully appears from a copy of the Audit Summary attached as Exhibit "A" and on a returned check liability for Debtors' withholding tax liability for the period ending 12/31/2000; creditor's claim is also based on estimated returns for Debtors' corporate tax liability for the period ending 12/31/1999 by virtue of the fact that Creditor has no record of said returns having been filed; however, the claim is valid because, Indiana Code § 6.8-1-10-3(a) provides that returns prepared by the Indiana Department of State Revenue based on the best information available are *prima facie* correct, and said taxes have not been paid.
3. IDR's claim is correct and should be paid as such, pursuant to 11 USC § 505.

WHEREFORE, Creditor, Indiana Department of State Revenue, prays that Debtors' objection to IDR's claim be overruled.

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Respectfully submitted,

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By: /s/ Brian D. Salwowski
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CERTIFICATE OF SERVICE

I do hereby certify that a copy of the foregoing pleading has been duly served upon all counsel of record listed below, by ECF notification or U. S. first class mail, postage prepaid, on September 17, 2008.

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